

State of Iowa
Projected Condition of the General Fund Budget
(Dollars in Millions)

ATTACHMENT H

	Actual FY 2012	Estimated FY 2013	Enacted FY 2014	Enacted FY 2015
Funds Available:				
Receipts	\$ 7,372.3	\$ 7,693.4	\$ 8,001.2	
Refund (Accrual Basis)	- 820.6	- 870.5	- 915.1	
School Infrs. Refunds (Accrual)	- 410.6	- 432.1	- 444.3	
Accruals (Net)	61.3	16.0	- 1.3	
Transfers	108.7	110.3	99.3	
Subtotal Receipts (Dec. REC)	6,311.1	6,517.1	6,739.8	7,182.3
March 2013 REC Adjustment		144.7	166.3	
Revenue Adjustments ²		- 25.3	- 249.6	- 263.6
Governor's Item Vetoes		0.1		0.2
Subtotal Receipts	6,311.1	6,636.6	6,656.5	6,918.9
Economic Emergency Fund Transfer	381.4	572.1	540.7	584.0
Total Funds Available	\$ 6,692.5	\$ 7,208.7	\$ 7,197.2	\$ 7,502.9
Expenditure Limitation			\$ 6,962.7	\$ 7,430.8
Estimated Appropriations and Expenditures:				
Enacted Appropriations	\$ 5,999.7	\$ 6,227.1	\$ 6,485.1	\$ 5,638.9
Adjustments to Standing Appropriations	10.2	3.5		
Supplemental/Deappropriations	2.6	335.9		
Governor's Item Vetoes		- 131.9	5.0	5.0
Total Appropriations	\$ 6,012.5	\$ 6,434.6	\$ 6,490.1	\$ 5,643.9
Reversions				
Operational Reversions	- 8.1	- 5.0	- 5.0	- 5.0
Governor's Item Vetoes			- 9.2	- 0.2
Total Reversions	- 8.1	- 5.0	- 14.2	- 5.2
Net Appropriations	\$ 6,004.4	\$ 6,429.6	\$ 6,475.9	\$ 5,638.7
Ending Balance - Surplus	\$ 688.1	\$ 779.1	\$ 721.3	\$ 1,864.2
Under (Over) Expenditure Limitation			\$ 472.6	\$ 1,786.9

^{1/} The FY 2015 revenue estimate assumes a 4.0% increase compared to the March REC estimate. The FY 2015 estimate was not adopted by the Revenue Estimating Conference.

^{2/} The March REC estimates of \$6,637.0 million for FY 2013 and \$6,870.6 million for FY 2014 included reductions of \$24.8 million and \$35.5 million, that were enacted in SF 106 (IRC Update Act) and signed into law on February 14, 2013. For the calculation of the Expenditure Limitation for FY 2014, the General Assembly used the December REC estimate (because it is lower than the March estimate) and revenue adjustments enacted during the 2013 Session. For purposes of this balance sheet, the revenue adjustments associated with the IRC Update Act have been adjusted out of the March REC revenue estimate and are instead factored into the Legislative Revenue Adjustment.

State of Iowa
General Fund Revenue Adjustments by Act
(Dollars in Millions)

Bill No.	Description	FY 2013			FY 2014			FY 2015		
		Leg. Action	Item Veto	Enacted	Leg. Action	Item Veto	Enacted	Leg. Action	Item Veto	Enacted
HF 599	Agricultural Assets Transfer Tax	\$ 0.0	\$ 0.0	\$ 0.0	\$ - 0.8		\$ - 0.8	\$ - 1.2	\$ 0.0	\$ - 1.2
HF 615	Innovation Fund Tax Credits			0.0			0.0	-16.0		-16.0
HF 620	IEDA Tax Credit Cap to \$170M	-0.3		-0.3	-1.8		-1.8	-4.3		-4.3
HF 625	School Tuition Organization Tax Credit			0.0			0.0	-2.5		-2.5
HF 630	Hydroelectricity Property Sales Tax Exemption			0.0	-2.0		-2.0	-2.0		-2.0
HF 638	Skilled Worker & Job Creation Fund			0.0	-66.0		-66.0	-66.0		-66.0
HF 638	Wagering Tax to RIIF			0.0	-1.2		-1.2	-1.2		-1.2
HF 648	Bond Repayment Revenue			0.0	15.2		15.2	6.2		6.2
SF 106	Internal Revenue Code (IRC) Update	-24.8		-24.8	-35.5		-35.5	-13.2		-13.2
SF 295	Earned Income Tax Credit	-0.2		-0.2	-30.2		-30.2	-34.5		-34.5
SF 318	Judicial Branch Revenue			0.0	-0.3		-0.3	-0.3		-0.3
SF 433	Targeted Jobs Withholding Changes			0.0	-1.0		-1.0	-3.1		-3.1
SF 438	Real Estate License Fees			0.0	0.1		0.1	0.1		0.1
SF 446	Cigarette/Tobacco Tax Transfer			0.0	-118.4		-118.4	-117.2		-117.2
SF 447	Cigarette Fire Safety Fund		0.1	0.1			0.0			0.0
SF 452	Standings									
	Dept. of Revenue Policy			0.0	-7.7		-7.7	-8.1		-8.1
	Historic Preservation Tax Credit			0.0			0.0	-0.2	0.2	0.0
	Food Bank Tax Credit			0.0			0.0	-0.1		-0.1
	Total	\$ - 25.3	\$ 0.1	\$ - 25.2	\$ - 249.6	\$ 0.0	\$ - 249.6	\$ - 263.6	\$ 0.2	\$ - 263.4

State of Iowa Reserve Funds

(Dollars in Millions)

Cash Reserve Fund (CRF)	Actual FY 2012	Estimated FY 2013	Enacted FY 2014	Enacted FY 2015
Funds Available				
Balance Brought Forward	\$ 341.2	\$ 450.3	\$ 466.8	\$ 486.8
Gen. Fund Appropriation from Surplus	554.6	688.1	779.1	721.3
Intrastate Receipts (credited after close of FY)	0.5	0.0	0.0	0.0
Total Funds Available	\$ 896.3	\$ 1,138.4	\$ 1,245.9	\$ 1,208.1
Appropriations & Transfers				
Appropriations	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Total Appropriations & Transfers	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Reversions (credited after close of fiscal year)	3.2			
Excess Transferred to EEF	-449.2	-671.6	-759.1	-689.2
Balance Carried Forward	\$ 450.3	\$ 466.8	\$ 486.8	\$ 518.9
<i>Maximum 7.5%</i>	<i>\$ 446.6</i>	<i>\$ 466.8</i>	<i>\$ 486.8</i>	<i>\$ 518.9</i>
 Economic Emergency Fund (EEF)	 Actual FY 2012	 Estimated FY 2013	 Enacted FY 2014	 Enacted FY 2015
Funds Available				
Balance Brought Forward	\$ 99.1	\$ 151.0	\$ 155.6	\$ 162.3
Excess from Cash Reserve	449.2	671.6	759.1	689.2
Other Receipts (credited after close of fiscal year)	2.2	0.0	0.0	0.0
Total Funds Available	\$ 550.5	\$ 822.6	\$ 914.7	\$ 851.5
Appropriations & Transfers				
Excess Transferred to Taxpayer Trust Fund	\$ 0.0	\$ - 60.0	\$ - 60.0	\$ - 60.0
Bond Repayment Fund	0.0	0.0	-116.1	0.0
Transfer to RIIF	0.0	-20.0	0.0	0.0
SF 2071 - MH Property Tax Relief Fund	-7.2	0.0	0.0	0.0
Missouri River Flood Damage	-2.9	0.0	0.0	0.0
Executive Council - Performance of Duty	-8.0	-14.9	-35.6	-34.5
Excess Transferred to General Fund	-381.4	-572.1	-540.7	-584.0
Balance Carried Forward	\$ 151.0	\$ 155.6	\$ 162.3	\$ 173.0
<i>Maximum 2.5%</i>	<i>\$ 148.9</i>	<i>\$ 155.6</i>	<i>\$ 162.3</i>	<i>\$ 173.0</i>
 Combined Reserve Fund Balances	 Actual FY 2012	 Estimated FY 2013	 Enacted FY 2014	 Enacted FY 2015
Cash Reserve Fund	\$ 450.3	\$ 466.8	\$ 486.8	\$ 518.9
Economic Emergency Fund	151.0	155.6	162.3	173.0
Total CRF and EEF	\$ 601.3	\$ 622.4	\$ 649.1	\$ 691.9

Taxpayer Trust Fund

(Dollars in Millions)

	Estimated FY 2013	Enacted FY 2014	Enacted FY 2015
Funds Available			
Balance Brought Forward	\$ 0.0	\$ 60.0	\$ 0.0
Economic Emergency Transfer	60.0	60.0	60.0
Reversion From Taxpayer Trust Fund Tax Credit Fund	0.0	0.0	31.9
Total Funds Available	<u>\$ 60.0</u>	<u>\$ 120.0</u>	<u>\$ 91.9</u>
Expenditures			
Transfer to Taxpayer Trust Fund Tax Credit Fund	\$ 0.0	\$ 120.0	\$ 91.9
Balance Carried Forward	<u><u>\$ 60.0</u></u>	<u><u>\$ 0.0</u></u>	<u><u>\$ 0.0</u></u>

Taxpayer Trust Fund Tax Credit Fund

(Dollars in Millions)

	Estimated FY 2013	Enacted FY 2014	Enacted FY 2015
Funds Available			
Balance Brought Forward	\$ 0.0	\$ 0.0	\$ 0.0
Transfer from Taxpayer Trust Fund (Transfer made in TY 2013)	0.0	120.0	91.9
Total Funds Available	<u>\$ 0.0</u>	<u>\$ 120.0</u>	<u>\$ 91.9</u>
Expenditures			
Transfer to General Fund (Reimb. for payment of tax credits)	\$ 0.0	\$ 88.1	\$ 67.5
Reversion to the Taxpayer Trust Fund		31.9	24.4
Total Expenditures	<u>\$ 0.0</u>	<u>\$ 120.0</u>	<u>\$ 91.9</u>
Balance Carried Forward	<u><u>\$ 0.0</u></u>	<u><u>\$ 0.0</u></u>	<u><u>\$ 0.0</u></u>

Estimated Contingent Liabilities for State Tax Credits
(Dollars in Millions)

Tax Credit Program	FY 2012	FY 2013	FY 2014	FY 2015
<u>Capped Programs</u>				
High Quality Job Program	\$ -7.9	\$ -47.5	\$ -62.8	\$ -82.5
Enterprise Zone Program	-8.7	-37.1	-35.9	-36.5
Historic Preservation and Cultural and Entertainment District Tax Credit	-29.4	-31.9	-37.1	-39.5
Renewable Energy Tax Credit	-3.4	-3.0	-9.7	-17.2
Enterprise Zone Program - Housing Component	-7.1	-11.8	-12.2	-14.1
School Tuition Organization Tax Credit	-7.1	-8.6	-9.0	-9.0
Accelerated Career Education Tax Credit	-3.6	-5.4	-5.4	-5.4
Endow Iowa Tax Credit	-2.9	-4.8	-5.1	-5.1
Agricultural Assets Transfer Tax Credit	-2.2	-4.9	-5.7	-6.1
Venture Capital Tax Credit - Iowa Fund of Funds	0.0	-6.7	-4.0	-4.0
Redevelopment Tax Credit	-0.3	-0.2	-2.5	-3.6
Wind Energy Production Tax Credit	-0.8	-1.6	-1.5	-1.5
Solar Energy System Tax Credit	0.0	-0.2	-0.9	-1.3
Venture Capital Tax Credit - Qualified Bus. or Comm.-Seed Capital Fund	-0.6	-0.7	-1.3	-2.7
Wage-Benefits Tax Credit	-3.6	-2.2	-0.8	0.0
Film, Television, and Video Project Promotion Program - Awarded	-0.3	-1.3	-0.3	-0.1
Venture Capital Tax Credit - Venture Capital Funds	-0.1	-0.2	-0.2	-0.1
Total Capped Programs	\$ -77.9	\$ -168.0	\$ -194.4	\$ -228.7
<u>Uncapped Programs</u>				
Iowa Industrial New Job Training Program (260E)	\$ -50.0	\$ -51.1	\$ -51.7	\$ -49.3
Research Activities Tax Credit	-37.0	-40.0	-43.3	-46.8
Earned Income Tax Credit	-30.3	-30.2	-29.8	-29.1
Supplemental Research Activities Tax Credit	-14.5	-14.7	-15.2	-16.4
Tuition and Textbook Tax Credit	-15.1	-15.1	-15.1	-15.1
Biodiesel Blended Fuel Tax Credit	-4.7	-6.4	-7.6	-6.2
Targeted Jobs Tax Credit from Withholding	-2.5	-3.9	-5.6	-5.6
Child and Dependent Care Tax Credit	-7.5	-6.3	-6.0	-5.6
New Jobs and Income Program	-10.4	-7.5	-4.4	-2.5
Ethanol Promotion Tax Credit	-3.3	-3.9	-2.7	-2.3
E85 Gasoline Promotion Tax Credit	-1.3	-1.4	-2.3	-3.1
Geothermal Heat Pump Tax Credit	0.0	-1.2	-1.8	-2.0
New Capital Investment Program	-0.4	-0.8	-1.6	-1.6
Charitable Conservation Contribution Tax Credit	-0.7	-0.9	-1.1	-1.2
Volunteer Firefighter and EMS Tax Credit	0.0	0.0	-0.9	-0.9
Early Childhood Development Tax Credit	-0.8	-0.5	-0.5	-0.5
E15 Gasoline Promotion Tax Credit	0.0	0.0	0.0	-0.1
Ethanol Blended Gasoline Tax Credit	0.0	0.0	0.0	0.0
Total Uncapped Programs	\$ -178.4	\$ -183.9	\$ -188.8	\$ -187.5
<u>Other Programs</u>				
Film Program - Under Review	0.0	-0.2	-0.5	-0.3
Funds Recovered from Defaulted Awards	0.2	0.0	0.0	0.0
Tax Credit Program Total	\$ -256.1	\$ -352.1	\$ -383.7	\$ -416.5

Notes:

Estimates are based on the Contingent Liabilities Report provided by the Department of Revenue in March 2013.

FY 2012 is based on actual claims made by taxpayers, although the amounts may not reflect the amount of awards issued. The FY 2012 numbers may increase as additional tax credit claims are verified.

The numbers may not equal totals due to rounding.